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8 September 1959

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## CENTRAL

# INTELLIGENCE

## BULLETIN



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## CENTRAL INTELLIGENCE BULLETIN

8 September 1959

### DAILY BRIEF

#### I. THE COMMUNIST BLOC

Communist China: American officials in Hong Kong speculate that a basic motive of the Communists in the Sino-Indian border and Laotian situations is to reverse setbacks in the past year which were greater than they are willing to accept. Increased Chinese military activity on the Sino-Indian border stems in part from a determination to consolidate Communist control over Tibet--an intention particularly evident in mop-up operations against Khamba rebels north of Assam. Communist activity in the Laotian situation, the officials feel, is an effort to restore losses sustained at the time of Vientiane's expulsion of the Pathet Lao from the government.

The officials discount the possibilities that the current tension in Asia is (1) part of a bloc effort to provide Khrushchev with a bargaining lever in his talks with President Eisenhower, (2) a deliberate Chinese move to embarrass the USSR because of China's opposition to an East-West rapprochement, or (3) a Chinese-sponsored external diversion for domestic purposes.

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|              |   |      |
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|              | II. ASIA-AFRICA   |      |
|              | *India - Communist China: The Indian Government on 7 September issued a White Paper documenting New Delhi's case against Peiping on various border issues. Nehru also informed Parliament that there had been no further developments on the northeast frontier since 26 August. There are press reports, however, that the people of Ladakh and Sikkim are becoming panicky. |      |
|              | In an apparently conciliatory move toward Nepal, Peiping  |      |
|              | has invited representatives to Lhasa to discuss continuance of traditional trade. Peiping appears anxious to minimize the seriousness of the frontier situation.  reportedly has been told that tension over Sikkim   | 25X1 |
| 25X1<br>25X1 | and Bhutan was an 'unfortunate mix-up' and not a prelude to hostilities.  | 25X1 |
|              | (The Dalai Lama, who is still seeking a sponsor to raise the Tibetan issue in the United Nations, has indicated that he will go to New York personally to plead his cause if necessary. The Indian Government still opposes raising the Tibetan issue)  |      |
|              | 8 Sept 59 DAILY BRIEF ii  |      |
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|      | in the UN. Indian officials feel it would be "regrettable" if such a debate "forced" the USSR to side openly with the Chinese on this issue. (Page 1)  | 25X1         |
|------|--|--------------|
|      | *Indonesia - Communist China: (The Chinese Communist Embassy in Djakarta recently lodged a "strong and forceful" protest against treatment of Chinese nationals in Indonesia, demanding that the Indonesian Government cease putting Chinese out of business, or at least compensate them. This protest followed | 25X1         |
|      | several hintsincluding cancellation of a proposed visit by a  Chinese Communist good-will delegationthat Peiping resents recent Indonesian restrictions on Chinese businessmen and in-   |              |
| 410  | tends to act as champion of their interests. In reporting the protest to a US official on 3 September, Foreign Minister Subandrio said that the Chinese Embassy had been receiving consid-   | No           |
|      | erable financial aid from local Chinese businessmen, and that Indonesia would continue to "liquidate interests detrimental to the country." He foresaw no open rupture with Communist China,   |              |
|      | however, and noted that Peiping has been offering Djakarta arms and economic aid "without questions and terms.")   | 25X1         |
|      |  |              |
|      | Japan: Ambassador MacArthur reports that Prime Minister Kishi is clearly worried over former Prime Minister Ishibashi's current visit to Communist Chinaparticularly its effect on Jap-  | 25X1<br>25X1 |
| ,    | anese policy toward the mainland. Since the visit is primarily to "make headlines," Kishi is virtually certain that Ishibashi, on  |              |
| 40   | his return, will make harmful proposals urging closer economic and cultural ties with Peiping. He also fears that Ishibashi, who is in bad health, will be easily manipulated by the Communists.)  |              |
| 25X1 | (Page 3)   |              |
|      |  |              |

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Approved For Release 2003/01/29 : CIA-RDP79T00975A0047600170001-2 25X1 UAR-USSR: The controlled UAR press and radio have accused Pravda and Moscow radio of a "flagrant intervention" in the internal affairs of the UAR. These charges stem from recent Moscow rebroadcasts of anti-UAR articles in the Iraqi Communist press. Damascus radio threatened to retaliate by republishing Khrushchev's "eloquent and fluent admissions of crimes committed against humanity" during the Stalin regime--apparently a reference to Khrushchev's secret speech at the 20th party congress in February 1956. UAR propaganda has also accused the Soviet Union of an attempt to isolate Iraq from the other Arab countries and of encouraging Communist agents in the Arab world. These renewed public recriminations, the first since last March, apparently have been brought about by Communist criticism of 25X1 the UAR's continuing anti-Communist campaign. 25X1 25X1 III. THE WEST Belgium: The resignation of Congo Minister van Hemelrijck, which followed the refusal of the cabinet to approve his plan for a

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rapid evolution of self-government in the Belgian Congo, has further weakened the shaky Social Christian - Liberal party coalition of Premier Eyskens. Friction within the coalition over various issues has been growing since its formation in November 1958, and Eyskens adjourned Parliament in early July to avert a coalition crisis. The opposition Socialist party, which favors a more liberal Congo policy, is trying to exploit the resignation and may decide to push for new parliamentary elections.

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#### LATE ITEMS

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#### I. THE COMMUNIST BLOC

#### II. ASIA-AFRICA

#### Sino-Indian Relations

Friction between India and Communist China over border problems was given new emphasis with the Indian Government's issuance on 7 September of a White Paper documenting New Delhi's case against Peiping. The 122-page document includes the texts of a series of Indian protests and Chinese replies on questions of disputed border claims, Tibetan refugee activity, treatment of Indian and Bhutanese nationals in Tibet, and the recent border incursions. In presenting the paper to Parliament. Prime Minister Nehru stated that there had been no fur-

| ther developments on the northeast frontier since 26 August.  |      |
|---|------|
| (The Indian Government early in September apparently noti-  | 25X1 |
| fied the Soviet and Polish ambassadors formally of its serious  |      |
| concern over Chinese border incursions.   |      |
| the Indian foreign secretary ad-  | 25\1 |
| vised the ambassadors that if the incidents were to continue,  New Delhi would be forced to reappraise its policy of nonalign-    | 25X1 |
| ment.)  |      |
| mont.)  |      |
| Peiping appears anxious to minimize the seriousness of the  |      |
| frontier situation.   | 25X1 |
| reportedly was told on 31 August that publication of any stories concerning India's northeast frontier must await a for-          |      |
| mal statement from Peiping.   | 25X1 |
| tension over Sikkim and Bhutan was an 'unfortunate mix-up' and  |      |
| a "regrettable error," not a prelude to hostilities against India.  |      |
| There has been no comment on the recent border situation in   |      |
| newspapers on the China mainland. The first extensive comment   |      |
| on the situation from the Communist bloc was a Prague broadcast on 4 September denying Indian charges of Chinese "territorial ex- |      |
| pansionism" and stating that Premier Chou En-lai views negotia-   |      |
| tions as the "only means" for solving border questions.   |      |
| Detailed and addition toward Naval groung designed to allow   |      |
| Peiping's current policy toward Nepal seems designed to allay fears in Katmandu raised by China's activities along the border. In |      |

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a statement on 3 September, Nepalese Prime Minister Koirala asserted that the Chinese have released nine Nepalese arrested in Lhasa during the Tibetan revolt and have given assurance they will soon determine the citizenship of mixed Tibetan-Nepalese nationals still under arrest and will consider their release. The Chinese have also shown a willingness to meet with Nepalese officials to facilitate traditional border trade.

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The Dalai Lama on 7 September issued another public appeal for UN support. His efforts in New Delhi to gain diplomatic assistance apparently have yielded little result. India continues to oppose raising the Tibetan issue in the UN, primarily because Communist China is not a member and New Delhi feels that no effective action would result. Indian officials also have expressed the view that it would be regrettable if the USSR, whose scant comment on recent Sino-Indian problems indicates to New Delhi disapproval of some Chinese actions, were forced to side openly with Peiping on this issue in the UN. The Indian foreign secretary told the American charge on 5 September that Soviet representatives in "various capitals" have been quietly indicating they deplored some recent Chinese moves.

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some recent Chinese moves.)

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| 25X1 | Kishi Fears Effects of Former Premier's Visit to Peiping  |                  |
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|      | Japanese Prime Minister Kishi is apprehensive that the current visit of former Prime Minister Tanzan Ishibashi to Communist China will adversely affect Tokyo's present policy of firmness toward Peiping. Kishi told Ambassador MacArthur on 2 September that he believed Ishibashi's primary purpose was to "make headlines," and that consequently the former premier would urge closer economic and cultural ties with the mainland on his return to Japan. He also fears that Ishibashi, who is in bad health, will be easily manipulated by the Communists. |                  |
|      | (While Ishibashi has not completely recovered from the stroke which caused him to resign in February 1957, he appears mentally alert, and not even Kishi believes he would urge diplomatic recognition of Peiping. Ishibashi does want to resume a more active role in politics, and, in view of his past advocacy of closer relations with the mainland, he may be sincere in his stated desire to determine personally whether the Chinese Communists really want to cooperate and coexist.   |                  |
|      | (Kishi is largely concerned about the effect Ishibashi's trip will have on Japanese public opinion, which has long-favored closer relations with mainland China. Should this subject again become a popular political issue, Kishi may consider it inexpedient to resist the trend.)  |                  |
|      | The Chinese Communists, who have concentrated their attacks on Kishi, assured a recent Japanese visitor that in the event government party leaders visited the mainland to discuss the deadlock in relations, the Chinese would not make them "lose face." The Chinese may, as a gesture of accommodation, hint at a limited relaxation of the trade embargo in an effort to create the impression that Kishi's hostility is the only bar to improved relations.)   | 25X <sup>2</sup> |
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#### III. THE WEST

### Belgian Government Weakened by Dispute Over Congo Policy

The resignation on 3 September of Congo Minister Maurice van Hemelrijck, which followed the refusal of the Belgian cabinet to approve his plan for the rapid "Africanization" of the Congo administration, has further weakened the shaky Social Christian - Liberal coalition of Prime Minister Gaston Eyskens. Powerful financial circles in Brussels which support the Liberal party have opposed Van Hemelrijck's plan since its announcement on 13 January, and the influence of the Palace, exerted chiefly through former King Leopold, has also been thrown against it. Earlier, the Palace had blocked the appointment of a new governor general of the Congo and forced the retention of Governor General Cornelis, who is not in sympathy with Van Hemelrijck's program.

Friction within the Socialist Christian - Liberal coalition has been growing since its formation last November. Serious differences developed over local issues such as electoral reform and the relaxation of restrictions on World War II collaborators. A crisis was avoided in early July by adjourning Parliament with the government's program only partially enacted. It was hoped to reconcile interparty differences before Parliament reconvened in November, but this has proved impossible.

Eyskens has replaced Van Hemelrijck with August de Schrijver, an elder statesman of the Social Christian party who has generally backed Van Hemelrijck's Congo policy and is widely respected--even by the opposition Socialist party, which criticizes the Congo program as not going far enough in the way of economic and social reforms. The Socialists now are trying to exploit the resignation by demanding that Parliament be reconvened to discuss Congo policy, and there is press speculation that they may combine with Social Christian supporters of Van Hemelrijck to form a new coalition government. The Socialist party congress starting 18 September will probably decide whether to attempt this course or to press for early parliamentary elections.

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#### THE PRESIDENT

The Vice President

Executive Offices of the White House

Special Assistant for National Security Affairs

Scientific Adviser to the President

Director of the Budget

Office of Defense and Civilian Mobilization

Director, National Aeronautics and Space Administration

Special Assistant for Security Operations Coordination

Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Economic Affairs

The Deputy Under Secretary for Political Affairs

The Deputy Under Secretary for Administration

The Counselor

Director, International Cooperation Administration

The Director of Intelligence and Research

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

Assistant Secretary of Defense for International Security Affairs

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman, The Joint Chiefs of Staff

Commandant, United States Marine Corps

The Director, The Joint Staff Chief of Staff, United States Army

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Assistant to Secretary of Defense for Special Operations

Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of Commerce

The Secretary of Commerce Federal Bureau of Investigation

The Director

Atomic Energy Commission

The Chairman

National Security Agency

The Director

National Indications Center

The Director

